



Bihar First in PMFME Scheme

Why in News?

Bihar has emerged as the **top-performing state in the country** under the [Prime Minister Micro Food Processing Enterprises Upgradation \(PMFME\) Scheme](#).

Key Points

▪ About the Scheme:

- The PMFME Scheme aims to **boost the competitiveness of existing private micro-enterprises** operating in the unorganised food processing sector.
- It also **seeks to promote the formalisation** of this sector by encouraging structured growth and regulatory integration.
- The PMFME Scheme is operational for a **period of five years from 2020-21 to 2024-25** with an outlay of Rs 10,000 crore.

▪ Focused Areas:

- The scheme adopts [One District One Product \(ODOP\)](#) approach to leverage the advantages of scale with respect to procurement of inputs, common services and marketing of products.
- Other focus areas include **waste to wealth products, minor forest produce and aspiring districts.**
- **Assistance Available under PMFME Scheme:**
 - **Individual/Group Category Micro Enterprises:**
 - **35% of the eligible project cost** will be given as credit-linked capital subsidy, with a maximum limit of Rs 10 lakh per unit.
 - **Self Help Groups (SHGs) for Seed Capital:**
 - **Seed capital of up to Rs. 40,000 per member of SHGs engaged in food processing** with a maximum of Rs 4 lakh per SHG for working capital and purchase of small equipment.
 - **Support for Common Infrastructure:**
 - **Credit-linked capital subsidy of 35%** with a maximum of Rs 3 crore to support any Government agency for setting up FPOs, SHGs, **cooperatives and common infrastructure.**
 - **Capacity building:**
 - The scheme envisages training for **Entrepreneurship Development Skilling (EDP+)**, a modified programme to meet the requirements of the food processing industry and product specific skills.
 - **District Resource Persons (DRPs)** have been appointed to provide assistance to micro food processing enterprises in complying with FSSAI and other statutory requirements.

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